

July 17 2007

Tim Crawford
 Citiline Resortline Properties of Texas LLC
 2010 South Tryon Street, Suite 1D
 Charlotte North Carolina 28203

Re 3919 3921 and 3923 Medical Parkway Austin Texas (the Property')

Dear Mr Crawford

On April 22 2007 in that certain letter of support for Citiline Resortline Properties of Texas s proposed development to provide for the rezoning of the Property from its current zoning designation to CS-MU-CO the Rosedale Neighborhood Association inadvertently excluded their support for the following restricted uses as referenced in the City of Austin s Zoning Review Sheet dated June 19 2007

Financial Services
 Personal Improvement Services

It is the intention hereby for the Rosedale Neighborhood Association to announce its full support for the addition of those previously excluded uses of Financial Services and Personal Improvement Services to become allowed and permitted uses for the rezoning of the Property to CS-MU-CO

This recommendation is limited only to those previously excluded uses of Financial Services and Personal Improvement Services and constitutes no support of any or all of those remaining stated uses as currently recommended by the City of Austin as restricted uses for the rezoning of the Property

In addition the Rosedale Neighborhood Association hereby approves of the Declaration of Restrictive Covenants for the Property attached to this letter

Yours very truly

Rosedale Neighborhood Association

By 
 Name Dianne Holley Mountain
 Title Rosedale Neighborhood Association Co-President

DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS (this Declaration) is made and entered into effective as of the 23rd day of July, 2007 by Citiline Resortline Properties of Texas LLC (Developer)

I Recitals

1.1 Developer is the owner of a parcel of land (the Land) situated in the City of Austin (the City) Travis County Texas more particularly described on Exhibit A attached hereto upon which Developer plans to construct a mixed-use project (the Project)

1.2 To enhance the future development of the Land and the Project and to benefit the future owners of any portion of the Land or the Project and the Association (as hereinafter defined) Developer desires to subject the Land to the covenants and restrictions as hereinafter set forth

Developer does hereby declare as follows

II Development of the Land

2.1 Access and Parking Garage Any gates to the parking level of the Project shall be recessed to minimize the visual impact of such parking garage gates On the Medical Parkway side of the Project a minimum distance of eighteen (18) feet shall exist between the street asphalt and the recessed parking gate thereby allowing adequate queuing

2.2 Parking The Project shall contain no fewer than twenty-seven (27) total parking spaces and shall otherwise be in compliance with all parking codes and ordinances of the City of Austin applicable to the Land and the Project The Project shall have no fewer than seven (7) parking spaces reserved between the hours of 7 00 am and 7 00 pm for the exclusive use of the owners and tenants of the commercial units in the Project and their customers clients and invitees The Project shall also have no fewer than eight (8) parking spaces that may be used between the hours of 7 00 am and 7 00 pm by the owners and tenants of the commercial units in the Project and their customers clients and invitees and by the owners and tenants of the residential units in the Project The Project shall also have no fewer than twelve (12) parking spaces reserved at all times for the exclusive use of the owners and tenants of the residential units in the Project

2.3 Landscaping Landscaping shall be installed on the Land including trees along West 40th Street and Medical Parkway to create a pedestrian-friendly environment

2.4 Screening Any portion of the parking structure on the Land that is open to view from Medical Parkway or West 40th Street shall be screened from view from such streets and to prevent visibility of car lights and vehicle storage and movement from neighboring residential areas by incorporating walls or plantings that at maturity would reach ten feet (10') in height planted ten feet (10') on center Mechanical elements of the Project shall meet the screening requirements of Article 2.6 of the City of Austin Design Standards in effect on the date Developer receives a building permit for the Project

III Mortgages Subordinate to Declaration

3 1 Any mortgage or deed of trust lien affecting any portion of the Land or the Project shall at all times be subject and subordinate to the terms of this Declaration and any person acquiring title by reason of foreclosure under any such mortgage or a deed in lieu of foreclosure shall acquire title to the premises affected thereby subject to all of the terms of this Declaration

IV General Provisions

4 1 Breach In the event of a breach or threatened breach of this Declaration, only Developer or its successors or assigns shall be entitled to institute proceedings for full and adequate relief from the consequences of said breach or threatened breach Notwithstanding anything in the prior sentence to the contrary the Rosedale Neighborhood Association (the Association) or the Association s successors or assigns shall be third-party beneficiaries of this Declaration and shall have the right to enforce the restrictions contained herein against the then-owner(s) of the Land or the Project or any portion thereof Other than the Association or its successors or assigns however there are no third-party beneficiaries of this Declaration or any of the restrictions contained herein including but not limited to any members of the Association or the Association s successors or assigns During Developer s period of ownership of the Land and the Project Developer shall reimburse the Association or its successors or assigns for its reasonable attorneys fees court costs and other reasonable fees and expenses should the Association or its successors or assigns undertake any legal action to enforce the terms of this Declaration At any time after Developer s period of ownership of the Land and the Project each party shall bear its own attorneys fees court costs and other reasonable fees and expenses should the Association or its successors or assigns undertake any legal action to enforce the terms of this Declaration

4 2 Severability If any provision of this Declaration shall be or become invalid illegal or unenforceable in any respect under any applicable law the validity legality and enforceability of the remaining provisions shall not be affected or impaired thereby

4 3 Rights of Successors The restrictions benefits and obligations hereunder shall create benefits and servitudes running with the Land which shall be binding upon and inure to the benefit of the Land Subject to the other provisions hereto this Declaration shall bind and inure to the benefit of Developer and its heirs representatives lessees successors and assigns

4 4 Modification and Cancellation This Declaration may be modified or terminated or cancelled only by written agreement signed by (a) the percentage of the owners of the Land the Project or any portion thereof required to amend any documents governing the property owners association for the Project (or if there is no property owners association 66 2/3% of such owners) and (b) by the Association (and any mortgagees holding first lien security interests on any portion of the Land)

4 5 Governing Law This Agreement shall be governed by the laws of the State of Texas

[Signature Page for that certain Declaration of Restrictive Covenants]

EXECUTED as of the date first set forth above

DEVELOPER

CITILINE RESORTLINE PROPERTIES OF TEXAS, LLC
a Texas limited liability company

By *John K Evans*
Name John K EVANS
Its Authorized Agent

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 23rd day of July, 2007
by John K EVANS, the Authorized Agent of
Citiline Resortline Properties of Texas LLC a Texas limited liability company on behalf of said
limited liability company



Debra Ray Malmstrom
Notary Public State of Texas

DRM

EXHIBIT A

Description of Land

Being 0.390 acres (approximately 16,976 square feet) more or less in the George W. Spear League, Travis County, Texas, being a portion of Lots 2 and 3, Block 6, HENRY B. SEIDERS SUBDIVISION, a subdivision in Travis County, Texas, according to the map or plat thereof recorded in Volume 1, Page 60 of the Plat Records of Travis County, Texas, consisting of

TRACT 1: The North 43 feet of said Lot 2 being conveyed to Thoracic & Cardiovascular Realty Co. in a Warranty Deed dated February 22, 1988 and recorded in Volume 10592, Page 296 of the Real Property Records of Travis County, Texas.

TRACT 2: The South 44 feet of said Lot 3 being conveyed to Thoracic & Cardiovascular Realty Co. in a Warranty Deed with Vendor's Lien dated February 13, 2003 and recorded in Document No. 2003036334 of the Official Public Records of Travis County, Texas.

TRACT 3: A 152 x 24.83 portion of Lot 3 being conveyed to Thoracic and Cardiovascular Realty Co. in a Special Warranty Deed dated December 15, 2006 and recorded in Document No. 2006244317 of the Official Public Records of Travis County, Texas.

Said 0.390 acres being more particularly described by metes and bounds on Exhibit A-1 attached hereto.



EXHIBIT A-1
Professional Land Surveying, Inc
Surveying and Mapping

Office 512 443 1724
Fax 512 441 6987

2807 Manchaca Road
Building One
Austin Texas 78704

ZONING DESCRIPTION
0.390 ACRES
GEO W SPEAR LEAGUE

A DESCRIPTION OF 0.390 ACRES (APPROXIMATELY 16,976 SQUARE FEET) IN THE GEO W SPEAR LEAGUE TRAVIS COUNTY TEXAS, BEING A PORTION OF LOTS 2 AND 3 BLOCK 6 HENRY B SEIDERS SUBDIVISION A SUBDIVISION IN TRAVIS COUNTY TEXAS ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 1 PAGE 60 OF THE PLAT RECORDS OF TRAVIS COUNTY TEXAS CONSISTING OF

THE NORTH 43 FEET OF SAID LOT 2 BEING CONVEYED TO THORACIC & CARDIOVASCULAR REALTY CO IN A WARRANTY DEED DATED FEBRUARY 22 1988 AND RECORDED IN VOLUME 10592 PAGE 296 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY TEXAS

THE SOUTH 44 FEET OF SAID LOT 3 BEING CONVEYED TO THORACIC & CARDIOVASCULAR REALTY CO IN A WARRANTY DEED WITH VENDOR'S LIEN DATED FEBRUARY 13 2003 AND RECORDED IN DOCUMENT NO 2003036334 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY TEXAS

AND A 152 X 24.83 PORTION OF LOT 3 BEING CONVEYED TO CROCKETT PARTNERS LTD IN A SPECIAL WARRANTY DEED DATED SEPTEMBER 01 1996 AND RECORDED IN VOLUME 12823 PAGE 163 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY TEXAS

SAID 0.390 ACRES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS

BEGINNING at a 1/2" iron pipe found at the intersection of the south right-of-way line of West 40th Street (60' right-of-way width) and the east right-of-way line of Medical Parkway (right-of-way width varies) being in the west line of said Lot 3 being the northwest corner of the said 152 X 24.83 tract being also the southwest corner of a 3648 square foot tract described in Volume 2776 Page 200 of the Deed Records of Travis County Texas

THENCE South 62°20'50" East with the south right-of-way line of West 40th Street the south line of the said 3648 square foot tract and the north line of the said 152 X 24.83 tract a distance of 151.88 feet to a nail in punch hole found at the intersection of the south right-of-way line of West 40th Street and the west right-of-way line of a 20' alley being in the east line of said Lot 3 being the southeast corner of the said 3648 square foot tract being also the northeast corner of the said 152 X 24.83 tract from which a

3/4 iron pipe found at the intersection of the north right-of-way line of West 40th Street and the west right-of-way line of a 20' alley bears North 27°39'24" East a distance of 60.03 feet

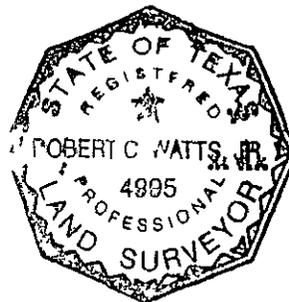
THENCE South 27°34'08" West with the west right-of-way line of a 20' alley and the east line of said Lots 2 and 3 a distance of 111.81 feet to a 1/2" rebar found for the southeast corner of the said north 43 feet of Lot 2 tract being also the northeast corner of a 7,599 square foot tract of land described in Volume 11701 Page 1098 of the Real Property Records of Travis County Texas

THENCE North 62°18'09" West with the south line of the said north 43 feet of Lot 2 tract and the north line of the said 7,599 square foot tract a distance of 151.94 feet to a calculated point in the east right-of-way line of Medical Parkway being the in the west line of said Lot 2 being the southwest corner of the said north 43 feet of Lot 2 tract being also the northwest corner of the said 7,599 square foot tract

THENCE North 27°35'42" East with the east right-of-way line of Medical Parkway and the west line of said Lots 2 and 3 a distance of 111.69 feet to the **POINT OF BEGINNING** containing 0.390 acres of land more or less

Prepared from a survey made on the ground May 03 2005 Bearing basis is Grid Azimuth for the Texas Central Zone 1983/93 HARN values from the LCRA survey control network Attachments Survey Drawing 482-001-BD1


Robert C. Watts Jr.
Registered Professional Land Surveyor
State of Texas No. 4995



5-11-05

1" = 50'

CITY OF AUSTIN
3648 SQ FT
(2776/200)

WEST 40TH STREET
(60 RIGHT-OF-WAY WIDTH)

POB

S62 20 50 E 151 88
(S59 56 E 152 0)

1/2 24 85 (24 83)
3/4 24 82 (24 83)
CROCKETT PARTNERS LTD
152 X 24 83 PORTION OF LOT 3
(12823/163)

3/4 43 84 (44)
THORACIC & CARDIOVASCULAR REALTY CO
SOUTH 44 OF LOT 3 BLOCK 6
H B SEIDERS SUBDIVISION (1/60)
SEE DETAIL (2003036334)

1/2 43 00 (43)
THORACIC & CARDIOVASCULAR REALTY CO
NORTH 43 OF LOT 2 BLOCK 6
H B SEIDERS SUBDIVISION (1/60)
(10592/296)

MEDICAL PARKWAY
(PLATTED ALICE AVENUE)
(RIGHT-OF-WAY WIDTH VARIES)

0 17 50 06 (50 19)
N62 18 09 W 151 94
(N59 52 20 W 151 84)
D & K INVESTMENT GROUP
7 599 SQ FT
(11701/1098)

59 88 92 88
S27 35 42 W 142 94
S27 35 42 W 142 94
(92 83)

LOT 1 BLOCK 6
HENRY B SEIDERS
SUBDIVISION (1/60)

D & K INVESTMENTS
(11625/1532)

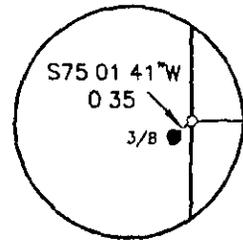
LOT 2
LOT 1

(49 85) 49 75
20 ALLEY (1/60)
S27 34 08 W 142 60
S27 34 08 W 142 60
(92 83)

0.390 ACRES TOTAL
APPROX 16 976 SQ FT

LOTS 4 5 & 6
BLOCK 6
HENRY B SEIDERS
SUBDIVISION (1-60)

CROCKETT PARTNERS LTD
(12823/185)



DETAIL
NTS

C.O.A.
CENTERLINE
MONUMENT

N62 25 52 W 152 00 (152)

WEST 39 1/2TH STREET
(PLATTED EMMA STREET)
(60 RIGHT-OF-WAY WIDTH)

N62 24 35 W 152 08

N62 52 22 W
60 13

DATE OF SURVEY 05/03/05
PLOT DATE 05/10/05
DRAWING NO 482-001-BD1
PROJECT NO 482-001
SHEET 2 OF 2

Chaparral